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FORMER CORPORATE EXECUTIVE SENTENCED TO 18 MONTHS FOR LYING TO ENVIRONMENTAL AGENCY

INDIANAPOLIS, IN - Thomas L. Sansonetti, Assistant Attorney General for the Justice Department's Environment and Natural Resources Division and Susan W. Brooks, U. S. Attorney for the Southern District of Indiana today announced that a former vice president of one of the largest producers of printed labels for branded consumer products in the United States was sentenced yesterday to 18 months in jail, 50 hours of community service and ordered to pay a fine of \$4000 for making a false statement to the Indiana Department of Environmental Management (IDEM).

John Littlehale, age 49, of Terrace Park, Ohio, was the Vice President for Manufacturing at the Multi-Color Corporation, an Ohio-based company. Multi-Color owns and operates a plant in Scottsburg, Indiana, that makes labels for mass-marketed products. In 1997, Multi-Color produced labels for a variety of consumer products including: liquid detergents, fabric softeners, liquid soaps, anti-freeze, motor oil, chewing gum and food products.

Littlehale pled guilty in front of U.S. District Judge David Hamilton on September 8, 2003. During that hearing, Littlehale admitted that he falsely represented to the IDEM that a new press at Multi-Color's Scottsburg Label Division was not operating and that once it began operating, it would have the proper air pollution control devices as required by the Clean Air Act. In fact, Mr. Littlehale directed subordinates to begin operation of the press six months prior to his false submission to the IDEM and, at the time of his false submission, knew the press had been operating without any air pollution control.

Commencing in 1996, the Clean Air Act required certain facilities, including Multi-Color, to apply for facility-wide operating permits, commonly referred to as Part 70 or Title V permits. In December 1997, Littlehale filed the permit application, but falsely certified that Press #3 was not in operation and that when it became operational, it would be in compliance with the Clean Air Act.

In a related matter, Roger Taylor, the former Plant Manager of the Scottsburg Label Division from 1996 until early 1998, was sentenced to six months of home detention and five years of probation and ordered to perform 500 hours of community service. In June 2003, Taylor pled guilty and admitted that he was aware that his supervisor, John Littlehale, made the false statements in the application for the Scottsburg Label Division's facility-wide operating permit.

Taylor acknowledged that he did nothing to report their falsity to the proper authorities, including during subsequent discussions with IDEM employees and contractors.

In handing out yesterday's sentences, Judge Hamilton noted that Littlehale's acts were deliberate, calculated violations of the Federal Clean Air Act and stressed the need for criminal enforcement of environmental laws in appropriate circumstances, like this one.

The Multi-Color Corporation was not charged. In January 1998, as the company was going through a management change, it uncovered and immediately disclosed these violations to the IDEM pursuant to a Voluntary Disclosure Program. The IDEM's Voluntary Disclosure Program, based on the U.S. Environmental Protection Agency's self-disclosure policy, encourages the regulated community to report environmental violations in exchange for potential leniency in subsequent enforcement actions, including the potential for avoiding criminal charges. In November 1998, Multi-Color entered into a civil resolution of the case with the IDEM. In the civil matter, the company agreed to pay a fine, perform supplemental environmental projects and cooperate with the government's continuing investigation.

U.S. Attorney Brooks credited Resident Agent in Charge Jeffrey Denny of the U.S. Environmental Protection Agency Criminal Investigation Division's Indianapolis Resident Office as well as the Indiana Interagency Environmental Crimes Task Force for the Southern District of Indiana with making major contributions to the cases against Littlehale and Taylor. The United States is represented by Stacey H. Mitchell of the Environmental Crimes Section of the Justice Department and Regional Criminal Enforcement Counsel Kris Vezner of the U.S. Environmental Protection Agency.

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